

## Message Text

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47

ACTION NEA-09

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-02

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01

FEA-01 DODE-00 PA-02 USIA-15 PRS-01 L-02 H-02 AGR-10

IO-10 /118 W

----- 003183

R 230820Z APR 75

FM AMEMBASSY ABU DHABI

TO AMEMBASSY JIDDA

INFO SECSTATE WASHDC 2869

UNCLAS ABU DHABI 0879

E.O. 11652: N/A

TAGS: EAID, TC

SUBJ: OPERATIONS OF ABU DHABI FUND FOR ARAB ECONOMIC DEVELOPMENT

REF: JIDDA 2714

1. LEADING OPERATIONS OF ADFAED LIMITED BY TWO LEGAL  
CONSTRAINTS: A. FUND MAY NOT LEND MORE THAN 10 PER CENT  
OF AUTHORIZED CAPITAL TO ANY ONE PROJECT (CAPITAL IS  
500 MILLION DOLLARS) B. FUND PARTICIPATION MAY NOT  
EXCEED MORE THAN 50 PER CENT OF PROJECT COST.

2. DURING 1974, FUND PARTICIPATED SOLELY IN INFRA-  
STRUCTURE DEVELOPMENT PROJECTS IN SEVERAL ARAB  
COUNTRIES. LOANS CARRY INTEREST RATE ANYWHERE  
FROM 2 1/2 TO 6 PERCENT WITH REPAYMENT OVER 10-15 YEARS.

3. FUTURE OPERATIONS WILL NOT BE RESTRICTED TO  
LENDING FOR INFRASTRUCTURE. FUND EVALUATING  
POSSIBILITY OF TAKING EQUITY POSITION IN PRIVATE  
SECTOR OF RECIPIENT COUNTRIES. EVALUATION CONSISTS  
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OF DETERMINATION THAT PROJECT IS COMMERCIALLY

VIABLE AND ATTEMPT TO MEASURE SOCIAL BENEFITS OF  
PRIVATE SECTOR PROJECT. INFRASTRUCTURE PROJECTS  
EVALUATED BY COST-BENEFIT ANALYSIS.

4. FUND AIMS TO SPREAD ITS COMMITMENTS REGIONALY  
(ALTHOUGH EGYPT AND SYRIA ARE FAVORED RECIPIENTS)  
AND, GIVEN LIMITATIONS IN PARA. 1, FILL GAPS IN  
THE FINANCING OF VITAL PROJECTS.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC DEVELOPMENT, TRUST FUNDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975ABUDH00879  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750142-0401  
**From:** ABU DHABI  
**Handling Restrictions:** n/a  
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**Line Count:** 70  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION NEA  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OPERATIONS OF ABU DHABI FUND FOR ARAB ECONOMIC DEVELOPMENT  
**TAGS:** EAID, TC, XF  
**To:** JIDDA  
**Type:** TE  
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